

JURISDICTION AND VENUE

1
2 1. Defendants admit only that the Amended Complaint purports that this
3 is an action for damages, preliminary injunctive relief, and permanent injunctive
4 relief, arising under (1) Section 32 of the Lanham Act, 15 U.S.C. § 1114(1), (2)
5 Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a) (as amended), (3) the
6 Copyright Laws of the United States, 17 U.S.C. § 101 *et seq.*, (4) the Patent Laws
7 of the United States, 35 U.S.C. § 271 *et seq.*, and (5) California state breach of
8 contract law. Except as expressly admitted herein, Defendants deny each and
9 every remaining allegation in Paragraph 1.

10 2. Parties cannot confer subject matter jurisdiction on a court.
11 Nevertheless, Defendants do not contest subject matter jurisdiction in this District
12 for the limited purpose of this action only.

13 3. Defendants do not contest that venue is proper in this District for the
14 limited purpose of this action only.

THE PARTIES

15
16 4. Defendants lack knowledge or information sufficient to form a belief
17 as to the truth of the allegations in Paragraph 4 and, therefore, deny them.

18 5. Admitted.

19 6. Defendants admit that Mark Greenhall (hereinafter, "Mr. Greenhall")
20 is an individual living in Newport Beach. Defendants do not challenge that this
21 Court has personal jurisdiction over Mr. Greenhall. Except as expressly admitted
22 herein, Defendants deny each and every remaining allegation in Paragraph 6.

23 7. Defendants admit that Mr. Greenhall is the President of Coastal
24 Cocktails, Inc. (hereinafter, "Coastal"). Except as expressly admitted herein,
25 Defendants deny each and every remaining allegation in Paragraph 7.

26 8. Defendants deny the allegations of Paragraph 8 of the Amended
27 Complaint.
28

STATEMENT OF FACTS

9. Defendants admit that what purports to be a depiction of Globefill's bottle packaging in the shape of a skull (hereinafter, the "Alleged Trade Dress") is attached to the Amended Complaint as Exhibit A. Defendants lack knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 9 of the Amended Complaint, and therefore deny those allegations.

10. Defendants admit that United States Trademark Registration Certificate No. 4043730 states on its face "Globefill Incorporated (Canada Corporation)," "the mark consists of a configuration of a bottle in the shape of a skull," and "for: alcoholic beverages, namely, vodka." Defendants further admit that what purports to be a copy of United States Trademark Registration Certificate No. 4043730 is attached to the Amended Complaint as Exhibit B. Except as expressly admitted herein, Defendants deny each and every remaining allegation in Paragraph 10.

11. Defendants deny the allegations of Paragraph 11 of the Amended Complaint.

12. Defendants admit that United States Copyright Registration No. VA 1-766-939 states on its face that "registration has been made for the work identified below." Defendants further admit that what purports to be a copy of United States Copyright Registration No. VA 1-766-939 is attached to the Amended Complaint as Exhibit C. Except as expressly admitted herein, Defendants deny each and every remaining allegation in Paragraph 12.

13. Defendants admit that United States Copyright Registration No. VA 1-766-939 states on its face that the "Year of Completion" was 2007, the "Date of 1st Publication" was September 30, 2008, and the "Effective date of registration" was April 11, 2011. Except as expressly admitted herein, Defendants deny each and every remaining allegation in Paragraph 13.

1 14. Defendants admit that United States Patent No. D589,360
2 (hereinafter, the “’360 Patent”) states on its face that it claims “[t]he ornamental
3 design for a bottle, as shown and described.” Defendants admit that the ’360
4 Patent also states on its face that it was issued on March 31, 2009. Defendants
5 further admit that what purports to be a copy of the ’360 Patent is attached to the
6 Amended Complaint as Exhibit D. Except as expressly admitted herein,
7 Defendants deny each and every remaining allegation in Paragraph 14.

8 15. Defendants admit that what purports to be photographs of cocktail
9 mix in skull-shaped bottles are attached to the Amended Complaint as Exhibit E.
10 Except as expressly admitted herein, Defendants deny each and every remaining
11 allegation in Paragraph 15.

12 16. Defendants admit that Globefill, in September 2014, filed a lawsuit
13 against Coastal in the United States District Court for the Central District of
14 California, Southern Division, designated Civil Action No. 14-cv-01486 DOC
15 (DFMx) (hereinafter, the “Lawsuit”), purporting to allege claims for federal
16 trademark infringement and federal unfair competition. Defendants admit that
17 what purports to be a copy of the complaint filed in the Lawsuit is attached to the
18 Amended Complaint as Exhibit F. Except as expressly admitted herein,
19 Defendants deny each and every remaining allegation in Paragraph 16.

20 17. Defendants admit that following service of the complaint filed in the
21 Lawsuit, Coastal entered into settlement discussions with Globefill. Defendants
22 admit that what purports to be a photograph of Coastal’s previous hot sauce
23 product in skull-shaped bottles is attached to the Amended Complaint as Exhibit G.
24 Except as expressly admitted herein, Defendants deny each and every remaining
25 allegation in Paragraph 17.

26 18. Defendants admit that on March 2, 2015, Globefill and Coastal
27 entered into a written settlement agreement (hereinafter, the “Settlement
28 Agreement”), executed by Mr. Greenhall for Coastal. The document speaks for

1 itself. Defendants admit that what purports to be a copy of the Settlement
 2 Agreement is attached to the Amended Complaint as Exhibit H. Except as
 3 expressly admitted herein, Defendants deny each and every remaining allegation in
 4 Paragraph 18.

5 19. Defendants admit that what purports to be a photograph of Coastal's
 6 hot sauce product in skull-shaped bottles is attached to the Amended Complaint as
 7 Exhibit I. Except as expressly admitted herein, Defendants deny each and every
 8 remaining allegation in Paragraph 19.

9 20. Defendants admit that in October 2016, John Weber, who, upon
 10 information and belief, is counsel for Globefill, sent a communication to Douglas
 11 Morseburg, former counsel for Coastal. Except as expressly admitted herein,
 12 Defendants deny each and every remaining allegation in Paragraph 20.

13 21. Defendants deny the allegations of Paragraph 21 of the Amended
 14 Complaint

15 **FIRST CLAIM FOR RELIEF**

16 **ALLEGED FEDERAL TRADE DRESS INFRINGEMENT**

17 22. Defendants incorporate by reference their responses to Paragraphs 1-
 18 21, as set forth above.

19 23. Defendants deny the allegations of Paragraph 23 of the Amended
 20 Complaint.

21 24. Defendants deny the allegations of Paragraph 24 of the Amended
 22 Complaint.

23 25. Defendants deny the allegations of Paragraph 25 of the Amended
 24 Complaint.

25 **SECOND CLAIM FOR RELIEF**

26 **ALLEGED FEDERAL UNFAIR COMPETITION**

27 26. Defendants incorporate by reference their responses to Paragraphs 1-
 28 25, as set forth above.

1 27. Defendants deny the allegations of Paragraph 27 of the Amended
2 Complaint.

3 28. Defendants deny the allegations of Paragraph 28 of the Amended
4 Complaint.

5 29. Defendants deny the allegations of Paragraph 29 of the Amended
6 Complaint.

7 **THIRD CLAIM FOR RELIEF**

8 **ALLEGED COPYRIGHT INFRINGEMENT**

9 30. Defendants incorporate by reference their responses to Paragraphs 1-
10 29, as set forth above.

11 31. Defendants deny the allegations of Paragraph 30 of the Amended
12 Complaint.

13 32. Defendants deny the allegations of Paragraph 31 of the Amended
14 Complaint.

15 33. Defendants deny the allegations of Paragraph 32 of the Amended
16 Complaint.

17 34. Defendants deny the allegations of Paragraph 33 of the Amended
18 Complaint.

19 **FOURTH CLAIM FOR RELIEF**

20 **ALLEGED INFRINGEMENT OF THE '360 PATENT**

21 35. Defendants incorporate by reference their responses to Paragraphs 1-
22 34, as set forth above.

23 36. Defendants deny the allegations of Paragraph 36 of the Amended
24 Complaint.

25 37. Defendants admit only that Globefill has not expressly licensed
26 Defendants under the '360 Patent. Defendants lack knowledge or information
27 sufficient to form a belief about the truth of the remaining allegations in Paragraph
28 37 of the Amended Complaint, and therefore deny those allegations.

1 38. Defendants deny the allegations of Paragraph 38 of the Amended
2 Complaint.

3 39. Defendants deny the allegations of Paragraph 39 of the Amended
4 Complaint.

5 40. Defendants deny the allegations of Paragraph 40 of the Amended
6 Complaint.

7 **FIFTH CLAIM FOR RELIEF**

8 **ALLEGED BREACH OF CONTRACT**

9 41. Defendants incorporate by reference their responses to Paragraphs 1-
10 40, as set forth above.

11 42. Defendants admit only that the Settlement Agreement constitutes a
12 binding written contract between Globefill and Coastal. Except as expressly
13 admitted herein, Defendants deny each and every remaining allegation in
14 Paragraph 42.

15 43. Defendants deny the allegations of Paragraph 43 of the Amended
16 Complaint.

17 44. Defendants deny the allegations of Paragraph 44 of the Amended
18 Complaint.

19 45. Defendants deny the allegations of Paragraph 45 of the Amended
20 Complaint.

21 **REQUEST FOR JUDGMENT**

22 Defendants deny that Plaintiff is entitled to any of the relief sought in
23 paragraphs A-H of Plaintiff's request for judgment. Defendants further deny that
24 Plaintiff is entitled to any of the relief requested in the Amended Complaint or to
25 any relief whatsoever. Defendants lack sufficient knowledge or information to
26 form a belief as to the truth of the remaining allegations contained in paragraphs
27 A-H of Plaintiff's request for judgment, and therefore deny those allegations.
28

1 **AFFIRMATIVE DEFENSES**

2 Without prejudice to the denials set forth in their Answer, and without
3 admitting any allegations of the Amended Complaint not expressly admitted,
4 Defendants assert the following affirmative defenses to the Amended Complaint
5 without assuming the burden of proof on any such defense that would otherwise
6 rest with Plaintiff.

7 **FIRST AFFIRMATIVE DEFENSE**

8 **FAILURE TO STATE A CLAIM**

9 46. As to each claim for relief, Plaintiff has failed to state a claim upon
10 which relief can be granted.

11 **SECOND AFFIRMATIVE DEFENSE**

12 **TRADE DRESS NON-INFRINGEMENT**

13 47. Defendants or either of them have not infringed, and currently do not
14 infringe, United States Trademark Registration Certificate No. 4043730 and the
15 Alleged Trade Dress. United States Trademark Registration Certificate No.
16 4043730 and the Alleged Trade Dress only confer a protectable interest, if at all, in
17 the particular goods identified in the aforementioned Registration and as such have
18 no bearing on any alleged trade dress infringement.

19 **THIRD AFFIRMATIVE DEFENSE**

20 **NO UNFAIR COMPETITION**

21 48. Defendants or either of them have not engaged in any unfair
22 competition or “false designation of origin in the nature of trade dress
23 infringement” vis-à-vis Plaintiff and have not otherwise engaged in any unlawful
24 activity likely to cause confusion, or mistake, or deception as to the affiliation,
25 connection, or association of any products of Defendants or either of them. The
26 identified United States Trademark Registration Certificate No. 4043730 and the
27 Alleged Trade Dress only confer a protectable interest, if at all, in the particular
28 goods identified in the aforementioned Registration and as such have no bearing on

1 any alleged unfair competition, “false designation of origin in the nature of trade
2 dress infringement,” or any other alleged unlawful activity.

3 **FOURTH AFFIRMATIVE DEFENSE**

4 **COPYRIGHT NON-INFRINGEMENT**

5 49. Defendants or either of them have not infringed, and currently do not
6 infringe, United States Copyright Registration No. VA 1-766-939.

7 **FIFTH AFFIRMATIVE DEFENSE**

8 **PATENT NON-INFRINGEMENT**

9 50. Defendants or either of them have not infringed, and currently do not
10 infringe, the '360 Patent directly, indirectly, contributorily, by inducement, under
11 the doctrine of equivalents, or in any other manner.

12 **SIXTH AFFIRMATIVE DEFENSE**

13 **NO BREACH OF CONTRACT**

14 51. Defendants or either of them have not breached the Settlement
15 Agreement.

16 **SEVENTH AFFIRMATIVE DEFENSE**

17 **NO VALID TRADE DRESS OR REGISTERED TRADEMARK**

18 52. Plaintiff has no valid, protectable trade dress or federal registered
19 trademark in which it enjoys any rights that may be asserted against Defendants or
20 either of them. United States Trademark Registration Certificate No. 4043730 and
21 the Alleged Trade Dress only apply, if at all, to alcohol products, and specifically,
22 vodka.

23 **EIGHTH AFFIRMATIVE DEFENSE**

24 **COPYRIGHT INVALIDITY**

25 53. United States Copyright Registration No. VA 1-766-939 is invalid for
26 failure to comply with the requirements for copyrightable subject matter set forth
27 in 17 U.S.C. § 102.

28

1 **NINTH AFFIRMATIVE DEFENSE**

2 **PATENT INVALIDITY AND PATENT MISUSE**

3 54. The claims of the '360 Patent are invalid for failure to satisfy one or
4 more of the conditions of patentability specified in Title 35 of the United States
5 Code, including, without limitation, 35 U.S.C. §§ 101, 102, 103, 112, and/or 171.
6 In addition, it is unenforceable through misuse because Plaintiff knew or should
7 have known that the claims of the '360 Patent are invalid under 35 U.S.C. §§ 101,
8 102, 103, 112, and/or 171, but is, upon information and belief, unlawfully
9 attempting to prevent Defendants from selling hot sauce product in skull-shaped
10 bottles, alleging infringement of a knowingly invalid patent.

11 **TENTH AFFIRMATIVE DEFENSE**

12 **FAILURE TO COMPLY WITH 35 U.S.C. § 287**

13 55. Because Plaintiff failed to comply with the notice requirements of 35
14 U.S.C. § 287, Plaintiff cannot recover any damages for alleged infringement of the
15 '360 Patent.

16 **ELEVENTH AFFIRMATIVE DEFENSE**

17 **FUNCTIONALITY**

18 56. The claims made in the Amended Complaint and the relief sought
19 therein are barred, in whole or in part, on the basis that the elements claimed by
20 Plaintiffs to be covered by United States Trademark Registration Certificate No.
21 4043730, the Alleged Trade Dress, United States Copyright Registration No. VA
22 1-766-939, the '360 Patent, and the use of United States Trademark Registration
23 Certificate No. 4043730, the Alleged Trade Dress, United States Copyright
24 Registration No. VA 1-766-939, and the '360 Patent are functional. Therefore,
25 those elements are not protectable.

1 **TWELFTH AFFIRMATIVE DEFENSE**

2 **LACK OF SECONDARY MEANING AND/OR DISTINCTIVENESS**

3 57. The claims made in the Amended Complaint and the relief sought
4 therein are barred, in whole or in part, on the basis that United States Trademark
5 Registration Certificate No. 4043730 and the Alleged Trade Dress lack
6 distinctiveness, including, without limitation, secondary meaning.

7 **THIRTEENTH AFFIRMATIVE DEFENSE**

8 **GENERIC TERMS**

9 58. The claims made in the Amended Complaint and the relief sought
10 therein are barred, in whole or in part, on the basis that United States Trademark
11 Registration Certificate No. 4043730 and the Alleged Trade Dress are generic.

12 **FOURTEENTH AFFIRMATIVE DEFENSE**

13 **WAIVER, ACQUIESCENCE, AND ESTOPPEL**

14 59. Each of the purported claims set forth in Plaintiff's Amended
15 Complaint is barred by the doctrines of waiver, laches, acquiescence, equitable
16 estoppel, unclean hands, and/or copyright and patent misuse.

17 **FIFTEENTH AFFIRMATIVE DEFENSE**

18 **STATUTORY DAMAGES LIMITATION**

19 60. Plaintiff's claim for damages is statutorily limited by 17 U.S.C. § 412,
20 17 U.S.C. § 507, and/or 35 U.S.C. § 286.

21 **SIXTEENTH AFFIRMATIVE DEFENSE**

22 **ABANDONMENT**

23 61. The claims made in the Amended Complaint are barred, in whole or
24 in part, by abandonment of United States Trademark Registration Certificate No.
25 4043730 and the Alleged Trade Dress.

1 **SEVENTEENTH AFFIRMATIVE DEFENSE**

2 **FAILURE TO MITIGATE**

3 62. The claims made in the Amended Complaint are barred, in whole or
4 in part, because of Plaintiff's failure to mitigate damages, if such damages exist.
5 For example, Plaintiff has refused to engage in early settlement discussions with
6 Defendants and has failed to take prompt action to try to obtain a reasonable
7 settlement with Defendants.

8 **EIGHTEENTH AFFIRMATIVE DEFENSE**

9 **PROSECUTION HISTORY ESTOPPEL**

10 63. Plaintiff's claims are barred by the doctrine of prosecution history
11 estoppel based on statements, representations, and admissions made during the
12 prosecution of United States Trademark Registration Certificate No. 4043730,
13 United States Copyright Registration No. VA 1-766-939, and the '360 Patent.

14 **NINETEENTH AFFIRMATIVE DEFENSE**

15 **NO EQUITABLE RELIEF**

16 64. As a result of Plaintiff's actions, Plaintiff is not entitled to equitable
17 relief, including but not limited to Plaintiff's request for injunctive relief.

18 **TWENTIETH AFFIRMATIVE DEFENSE**

19 **NO WILLFUL INFRINGEMENT**

20 65. Plaintiff's claims for enhanced damages and an award of fees and
21 costs against Defendants have no basis in fact or law and should be denied.

22 **TWENTY-FIRST AFFIRMATIVE DEFENSE**

23 **THIRD-PARTY USE**

24 66. The claims made in the Amended Complaint are barred, in whole or
25 in part, by reason of other parties' use of United States Trademark Registration
26 Certificate No. 4043730 and the Alleged Trade Dress.

1 **TWENTY-SECOND AFFIRMATIVE DEFENSE**

2 **NO DAMAGES**

3 67. Without admitting that the Amended Complaint states a claim, there
4 has been no damage in any amount, manner, or at all by reason of any act alleged
5 against Defendants in the Amended Complaint, and the relief prayed for in the
6 Amended Complaint therefore cannot be granted.

7 **TWENTY-THIRD AFFIRMATIVE DEFENSE**

8 **NO IRREPARABLE HARM**

9 68. Plaintiff's claims for injunctive relief are barred because Plaintiff
10 cannot show that it will suffer any irreparable harm from Defendants' actions.

11 **TWENTY-FOURTH AFFIRMATIVE DEFENSE**

12 **ADEQUATE REMEDY AT LAW**

13 69. The alleged injury or damage suffered by Plaintiff, if any, would be
14 adequately compensated by damages. Accordingly, Plaintiff has a complete and
15 adequate remedy at law and is not entitled to seek equitable relief.

16 **TWENTY-FIFTH AFFIRMATIVE DEFENSE**

17 **DUPLICATIVE CLAIMS**

18 70. Without admitting that the Amended Complaint states a claim, any
19 remedies are limited to the extent that there is sought an overlapping or duplicative
20 recovery pursuant to the various claims against Defendants for any alleged single
21 wrong.

22 **TWENTY-SIXTH AFFIRMATIVE DEFENSE**

23 **UNJUST ENRICHMENT**

24 71. Plaintiff will be unjustly enriched if allowed to recover any part of the
25 damages it has allegedly suffered or any other remedy from the alleged conduct of
26 Defendants.

1 **TWENTY-SEVENTH AFFIRMATIVE DEFENSE**

2 **CONTRARY TO PUBLIC POLICY**

3 72. To the extent that Plaintiff attempts to extend the terms of the
4 Settlement Agreement to prevent Defendants' lawful activity, the Settlement
5 Agreement is unenforceable and violates public policy.

6 **TWENTY-EIGHTH AFFIRMATIVE DEFENSE**

7 **SPECULATIVE DAMAGES**

8 73. Plaintiff's claims for lost profits and damages are barred because
9 Plaintiff is seeking to recover lost profits and damages that are speculative in
10 nature.

11 **TWENTY-NINTH AFFIRMATIVE DEFENSE**

12 **FALSE CLAIMS**

13 74. Plaintiff's claims as to Mr. Greenhall are barred as a matter of law
14 because the Amended Complaint makes numerous blatantly false claims. At all
15 times thereto, Mr. Greenhall acted on behalf of Coastal. Thus, Mr. Greenhall
16 cannot be held personally liable in this action.

17 **ADDITIONAL DEFENSES**

18 75. Defendants reserve the right to assert additional defenses based on
19 information learned or obtained during discovery.

20 **COUNTERCLAIMS**

21 Defendants Coastal Cocktails, Inc., doing business as Modern Gourmet
22 Foods, and Mark Greenhall (collectively, "Defendants" or "Counterclaimants"),
23 for their counterclaims against Plaintiff Globefill Incorporated ("Plaintiff" or
24 "Counterdefendant"), allege as follows:

25 **NATURE OF THE ACTION**

26 76. Plaintiff filed an Amended Complaint against Defendants, alleging
27 federally registered trade dress infringement, unfair competition and false
28

1 designation of origin of its Alleged Trade Dress, copyright infringement, design
2 patent infringement, and breach of contract.

3 **THE PARTIES**

4 77. Coastal is a California corporation having its principal place of
5 business at 18011 Mitchell South, Suite B, Irvine, California, 92614.

6 78. Mr. Greenhall is an individual residing in Newport Beach, California.

7 79. Upon information and belief, Plaintiff is a Canadian corporation with
8 its principal place of business at 333 Eglinton Avenue East, Toronto, Ontario,
9 Canada M4P 1L7.

10 **JURISDICTION AND VENUE**

11 80. This action arises under Section 32 of the Lanham Act, 15 U.S.C. §
12 1114(1); Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a) (as amended); the
13 Copyright Laws of the United States, 17 U.S.C. § 101 *et seq.*; the Patent Laws of
14 the United States, 35 U.S.C. § 271 *et seq.*; and California state breach of contract
15 law. This Court has subject matter jurisdiction under 15 U.S.C. § 1121 and 28
16 U.S.C. §§ 1331, 1332, 1338, 2201, and 2202. This Court has subject matter
17 jurisdiction over Plaintiff because, among other reasons, Plaintiff availed itself of
18 the jurisdiction of this Court and engaged in acts giving rise to this controversy in
19 this District. There is a justiciable controversy under the Declaratory Judgment
20 Act, 28 U.S.C. § 2201, *et seq.*

21 81. Venue is appropriate in the District under 28 U.S.C. §§ 1391 and
22 1400(a)-(b).

23 **STATEMENT OF FACTS**

24 82. On May 26, 2017, Plaintiff and Counterdefendant Globefill
25 Incorporated filed an Amended Complaint against Defendants and
26 Counterclaimants Coastal Cocktails, Inc., doing business as Modern Gourmet
27 Foods, and Mark Greenhall. The Amended Complaint alleges causes of action for
28 federally registered trade dress infringement under Section 32 of the Lanham Act,

1 unfair competition and false designation of origin under Section 43(a) of the
2 Lanham Act, copyright infringement, design patent infringement, and breach of
3 contract.

4 83. Plaintiff alleges in its Amended Complaint that it is the owner of all
5 intellectual property rights consisting of and embodied in the Alleged Trade Dress.

6 84. Among these alleged intellectual property rights, Plaintiff alleges that
7 it is the owner of United States Trademark Registration No. 4,043,730. During
8 prosecution of the alleged federal trademark registration, Globefill stated that “the
9 mark is in use in commerce on or in connection with all of the goods/all of the
10 services . . . listed in the existing registration for this specific class: alcoholic
11 beverages, namely, vodka.”

12 85. In addition, during prosecution of United States Trademark
13 Registration No. 4,043,730, the Examining Attorney refused registration on
14 grounds of non-distinctiveness. In so refusing, the Examining Attorney stated that
15 “the applied-for mark consists of a nondistinctive configuration of packaging for
16 the goods . . . the skull shape is a commonly used decorative shape that would be
17 viewed by consumers not as an indication of source, but rather, merely as a
18 decoration or ornamental feature of the packaging of the goods.” In support of her
19 statement that the skull-shaped design was a “commonly used decorative shape,”
20 the Examining Attorney further attached numerous depictions of prior skull-shaped
21 objects, including, but not limited to, skull-shaped glass mugs, beer glasses, glass
22 pitchers, glass poison bottles, bowls, dishes, telephones, chocolate candies,
23 earbuds, headphones, DVD players, candles, and USB drives.

24 86. In response to this rejection, Globefill made several narrowing
25 arguments that limited its federal trademark registration to skull product packaging
26 in the alcohol and spirits industry, and specifically, vodka. In particular, Globefill
27 stated in a June 27, 2010 Response to Office Action that “[i]t is hard to imagine
28 how an alcoholic beverage could be encased in a more distinctive package than

1 Applicant's Skull Product Packaging . . . Applicant submits a representative list of
2 vodka and photographs of the bottles for those vodkas, as it is apparent,
3 Applicant's bottle is the only skull-shaped bottle . . . Furthermore, Applicant's
4 Skull Product Packaging has been recognized as unique in the industry . . .
5 Applicant's Skull Product Packaging is the only skull-shaped bottle in the
6 alcoholic industry. In addition to being unique as a container in the spirits field. . .
7 . Applicant's Skull Product Packaging is especially unique in the alcoholic
8 beverage industry and indeed is the only one of its kind in the market. Applicant's
9 Skull Product Packaging also does not describe anything about its particular
10 content, vodka . . . The evidence the examining attorney relies on does not . . .
11 reflect any use of the skull shape in the alcoholic beverage industry . . . Applicant's
12 Skull Product Packaging is a[] unique container configuration in relation to vodka.
13 . . ."

14 87. Thus, on information and belief, Globefill narrowed the scope of its
15 federal trademark registration to the use of the skull-shaped bottle design in
16 connection with alcoholic beverages, namely, vodka. Coastal's hot sauce product
17 in skull-shaped bottles is an unrelated good to those that United States Trademark
18 Registration No. 4,043,730 is directed towards, as it is not vodka or an alcoholic
19 beverage.

20 88. In its Amended Complaint, Globefill also alleges that it is the owner
21 of United States Copyright Registration No. VA 1-766-939 and that Defendants
22 have infringed United States Copyright Registration No. VA 1-766-939.

23 89. United States Copyright Registration No. VA 1-766-939 claims a
24 glass bottle designed in the shape of an anatomical human skull. It is well-
25 established in the copyright case law that, if otherwise valid, this copyright
26 registration is limited only to the artistic features in the claimed skull-bottle design
27 that are not governed by human anatomy or the glass medium. Thus, the scope of
28 United States Copyright Registration No. VA 1-766-939 is narrow.

90. Globefill further alleges in its Complaint that it is the owner of the '360 Patent. The '360 Patent claims "[t]he ornamental design for a bottle, as shown and described." Figures 1-6 of the '360 Patent depict a glass bottle designed in the shape of an anatomical human skull. It is well-established in the patent case law that, if otherwise valid, this design patent is limited to only the ornamental aspects of the claimed design, and does not extend to the associated functional aspects. Further, there are several prior art references directed to skull-shaped bottle designs that were in the public domain as of at least 1875, such as U.S. Design Patent Nos. D23,399; D49,569; D117,550; D164,265; D431,463; D459,213. Thus, the scope of the '360 Patent, if otherwise valid, is also narrow.

DEFENDANTS' FIRST COUNTERCLAIM

DECLARATORY JUDGMENT OF TRADE DRESS NON-INFRINGEMENT

91. Defendants refer to and incorporate the allegations of Paragraphs 76-90 of their Counterclaims above.

92. An actual and justiciable controversy exists between Plaintiff and Defendants as to the non-infringement of United States Trademark Registration No. 4,043,730 and the Alleged Trade Dress, as evidenced by Plaintiff's Amended Complaint and Defendants' Answer to that Amended Complaint, set forth above.

93. Pursuant to the Federal Declaratory Judgment Act, Defendants request a declaration of the Court that Defendants do not infringe and have not infringed United States Trademark Registration No. 4,043,730 and the Alleged Trade Dress.

DEFENDANTS' SECOND COUNTERCLAIM

DECLARATORY JUDGMENT OF NO UNFAIR COMPETITION

94. Defendants refer to and incorporate the allegations of Paragraphs 76-93 of their Counterclaims above.

95. An actual and justiciable controversy exists between Plaintiff and Defendants as to the alleged unfair competition, the alleged "false designation of

1 origin in the nature of trade dress infringement,” and other alleged unlawful
 2 activity, as evidenced by Plaintiff’s Amended Complaint and Defendants’ Answer
 3 to that Amended Complaint, set forth above.

4 96. Pursuant to the Federal Declaratory Judgment Act, Defendants request
 5 a declaration of the Court that Defendants have not engaged in, and are not
 6 engaging in, unfair competition, “false designation of origin in the nature of trade
 7 dress infringement,” and other alleged unlawful activity.

8 **DEFENDANTS’ THIRD COUNTERCLAIM**

9 **DECLARATORY JUDGMENT OF COPYRIGHT NON-INFRINGEMENT**

10 97. Defendants refer to and incorporate the allegations of Paragraphs 76-
 11 96 of their Counterclaims above.

12 98. An actual and justiciable controversy exists between Plaintiff and
 13 Defendants as to the non-infringement of United States Copyright Registration No.
 14 VA 1-766-939, as evidenced by Plaintiff’s Amended Complaint and Defendants’
 15 Answer to that Amended Complaint, set forth above.

16 99. Pursuant to the Federal Declaratory Judgment Act, Defendants request
 17 a declaration of the Court that Defendants do not infringe and have not infringed
 18 United States Copyright Registration No. VA 1-766-939.

19 **DEFENDANTS’ FOURTH COUNTERCLAIM**

20 **DECLARATORY JUDGMENT OF PATENT NON-INFRINGEMENT**

21 100. Defendants refer to and incorporate the allegations of Paragraphs 76-
 22 99 of their Counterclaims above.

23 101. An actual and justiciable controversy exists between Plaintiff and
 24 Defendants as to the non-infringement of the ’360 Patent, as evidenced by
 25 Plaintiff’s Amended Complaint and Defendants’ Answer to that Amended
 26 Complaint, set forth above.

102. Pursuant to the Federal Declaratory Judgment Act, Defendants request a declaration of the Court that Defendants do not infringe and have not infringed the '360 Patent.

DEFENDANTS' FIFTH COUNTERCLAIM

DECLARATORY JUDGMENT OF TRADE DRESS AND TRADEMARK INVALIDITY AND UNENFORCEABILITY

103. Defendants refer to and incorporate the allegations of Paragraphs 76-102 of their Counterclaims above.

104. An actual and justiciable controversy exists between Plaintiff and Defendants as to the invalidity and unenforceability of United States Trademark Registration No. 4,043,730 and the Alleged Trade Dress, as evidenced by Plaintiff's Amended Complaint and Defendants' Answer to that Amended Complaint, set forth above.

105. Pursuant to the Federal Declaratory Judgment Act, Defendants request a declaration of the Court that United States Trademark Registration No. 4,043,730 and the Alleged Trade Dress are invalid and unenforceable.

DEFENDANTS' SIXTH COUNTERCLAIM

DECLARATORY JUDGMENT OF COPYRIGHT INVALIDITY AND UNENFORCEABILITY

106. Defendants refer to and incorporate the allegations of Paragraphs 76-105 of their Counterclaims above.

107. An actual and justiciable controversy exists between Plaintiff and Defendants as to the invalidity and unenforceability of United States Copyright Registration No. VA 1-766-939, as evidenced by Plaintiff's Amended Complaint and Defendants' Answer to that Amended Complaint, set forth above.

108. Pursuant to the Federal Declaratory Judgment Act, Defendants request a declaration of the Court that United States Copyright Registration No. VA 1-766-939 is invalid and unenforceable.

1 **DEFENDANTS' SEVENTH COUNTERCLAIM**

2 **DECLARATORY JUDGMENT OF PATENT INVALIDITY AND**
3 **UNENFORCEABILITY**

4 109. Defendants refer to and incorporate the allegations of Paragraphs 76-
5 108 of their Counterclaims above.

6 110. An actual and justiciable controversy exists between Plaintiff and
7 Defendants as to the invalidity and unenforceability of the '360 Patent, as
8 evidenced by Plaintiff's Amended Complaint and Defendants' Answer to that
9 Amended Complaint, set forth above.

10 111. Pursuant to the Federal Declaratory Judgment Act, Defendants request
11 a declaration of the Court that the '360 Patent is invalid and unenforceable.

12 **DEFENDANTS' EIGHTH COUNTERCLAIM**

13 **DECLARATORY JUDGMENT OF NO BREACH OF CONTRACT**

14 112. Defendants refer to and incorporate the allegations of Paragraphs 76-
15 111 of their Counterclaims above.

16 113. An actual and justiciable controversy exists between Plaintiff and
17 Defendants as to the alleged breach of the Settlement Agreement, as evidenced by
18 Plaintiff's Amended Complaint and Defendants' Answer to that Amended
19 Complaint, set forth above.

20 114. Pursuant to the Federal Declaratory Judgment Act, Defendants request
21 a declaration of the Court that Defendants or either of them have not breached the
22 Settlement Agreement.

23 **PRAYER FOR RELIEF**

24 WHEREFORE, Defendants and Counterclaimants deny that Plaintiff is
25 entitled to any of the relief sought in its request for judgment or any relief
26 whatsoever. Defendants and Counterclaimants respectfully request that this Court
27 enter judgment in their favor, and against Plaintiff, as follows:

28 A. That Plaintiff be denied all relief requested in its Amended Complaint;

1 B. That Plaintiff's Amended Complaint be dismissed with prejudice in
2 its entirety and that Plaintiff take nothing by its Amended Complaint;

3 C. That the Court enter a declaration that Defendants or either of them
4 have not engaged in, and are not engaging in, unfair competition, "false
5 designation of origin in the nature of trade dress infringement," and other alleged
6 unlawful activity.

7 D. That the Court enter a declaration that Defendants or either of them
8 have not infringed and do not infringe United States Trademark Registration No.
9 4,043,730, the Alleged Trade Dress, United States Copyright Registration No. VA
10 1-766-939, and the '360 Patent;

11 E. That the Court enter a declaration that United States Trademark
12 Registration No. 4,043,730, the Alleged Trade Dress, United States Copyright
13 Registration No. VA 1-766-939, and the '360 Patent are invalid and unenforceable;

14 F. That the Court enter a declaration that Defendants or either of them
15 have not breached the Settlement Agreement;

16 G. That the Court enter a declaration that this case is exceptional and that
17 Defendants be awarded their costs, expenses, and reasonable attorneys' fees
18 pursuant to 15 U.S.C. § 1117, 35 U.S.C. § 285, and 17 U.S.C. § 505;

19 H. That Defendants be awarded such other and further relief as the Court
20 deems just and equitable.

21
22 Dated: June 9, 2017

WILSON SONSINI GOODRICH & ROSATI
Professional Corporation

23
24
25 By: /s/ Lisa D. Zang

Lisa D. Zang

26
27 Attorneys for Defendants and
Counterclaimants
28 COASTAL COCKTAILS, INC., dba
MODERN GOURMET FOODS, and MARK
GREENHALL

JURY DEMAND

Pursuant to Federal Rule of Civil Procedure 38, Defendants and Counterclaimants Coastal Cocktails, Inc., doing business as Modern Gourmet Foods, and Mark Greenhall hereby demand a jury trial of all issues triable by a jury.

Dated: June 9, 2017

WILSON SONSINI GOODRICH & ROSATI
Professional Corporation

By: /s/ Lisa D. Zang

Lisa D. Zang

Attorneys for Defendants and
Counterclaimants
COASTAL COCKTAILS, INC., dba
MODERN GOURMET FOODS, and MARK
GREENHALL